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CENTRAL REEXAMINATION UNIT

In re Application of  
Niro Nakamichi et al  
Application No. 08/760,706  
Filed: December 5, 1996  
Atty. Docket No.: 004076.73577

: SECOND ORDER TO  
: SHOW CAUSE

This is in response to the applicant's communication entitled Response To Order To Show Cause filed August 10, 2006, requesting that the above-identified application be kept alive until the status of U.S. Patent 5,123,001 has been resolved.

The August 10, 2006 response was only recently matched up with this reissue application (the '706 reissue proceeding). Applicants' communication is in response to the July 11, 2006 Order To Show Cause, and such response is now before the Office of Patent Legal Administration (OPLA) for consideration.

#### BACKGROUND

1. The present application was filed December 5, 1996, for reissue of U.S. patent 5,123,001 (the '001 patent) issued January 29, 2002.
2. On October 8, 2004, applicants filed a response to the Office communication of September 10, 2004. This was the last paper entered into the record of the '706 reissue proceeding.
4. The present application for reissue of the '001 patent is pending; the record reveals that prosecution of the application has not closed.
5. The Office's financial records reveal that the 11.5-year maintenance fee that was due by June 16, 2004 (the end of the grace period), was not paid.
6. The *Official Gazette* provided notification that the '001 patent expired on June 16, 2004, for failure to pay the 11.5 year maintenance fee due. See 1285 *Official Gazette* 49, 50 (August 10, 2004).
7. On July 11, 2006, an Order To Show Cause was mailed stating that the '001 patent had expired for failure to pay the first maintenance fee, the Director of the USPTO no longer had the authority under 35 U.S.C. § 251 to reissue the '001 patent, and the Office intended to terminate the present reissue proceeding and hold the application for reissue of the '001 patent to be an abandoned application. Applicant was given a period of 30 DAYS from the

mailing of the ORDER to show cause why the Office should not terminate the present reissue proceeding.

8. In response, on August 10, 2006, the present communication entitled Response To Order To Show Cause was filed, and recently matched with the reissue file. Applicant requests that the application not be terminated, as the '001 patent owner filed, on August 10, 2006, a maintenance fee and surcharge along with a petition under 37 CFR 1.378(b) to accept late payment of the maintenance fee based upon the patent owner's unavoidable failure to timely pay the maintenance fee.

## DECISION

37 CFR 1.181(f) states, in part:

The mere filing of a petition will not stay any period for reply that may be running against the application, nor act as a stay of other proceedings.

This provision of the rules is a statement that there is no assurance that any petition filed will be granted. Action shall not be taken based upon an assumption of a future grant of a petition. In this instance, the mere filing of the August 10, 2006 petition did not act to restore the '001 patent to status as a live patent. As such, the '001 patent remains in the status of an expired patent for failure to pay the 11.5 year maintenance fee. Accordingly, the Director of the USPTO still does not have the authority under 35 U.S.C. § 251 to reissue the '2001 patent. See *In re Morgan*, 990 F.2d 1230, 26 USPQ2d 1392 (Fed. Cir. 1993). As stated in *Morgan*,

"The language of section 251 is unambiguous: the Commissioner has authority to reissue a patent only "for the unexpired part of the term of the original patent." Thus, when *Morgan's original patent expired on August 19, 1992, the Commissioner was divested of his reissue authority* because there no longer was an unexpired term of the patent for which *Morgan's patent could be reissued*. *Morgan's appeal thus became moot.*"  
[990 F.2d at 1231, 26 USPQ2d at 1393; emphasis added]

Because the Director no longer has the authority under 35 U.S.C. § 251 to reissue the patent, the Office still intends to terminate the present reissue proceeding, and thereafter hold the application for reissue of the '001 patent to be an abandoned application. However, applicant's request that the prosecution of the above-identified application be kept alive is granted to the following extent. The August 10, 2006 response to the show cause order of July 11, 2006 is found to be *sufficient to provide basis for keeping the application pending at this time*. The response to the show cause order of August 10, 2006 is, however, sufficient only to the extent that the Office will not terminate the present reissue proceeding at this time. Rather, based on the filing of the August 10, 2006 petition to accept late payment of the maintenance fee, jurisdiction over the reissue proceeding is being retained in the Office of Patent Legal Administration (OPLA), to provide the applicant with an opportunity to provide a second showing of cause as to why the Office should not terminate the present reissue proceeding, as will be discussed in the below conclusion.

## CONCLUSION

1. Applicant is hereby being provided with a period of **SIX (6) MONTHS** from the mailing of this SECOND SHOW CAUSE ORDER to again show cause why the Office should not terminate the present reissue proceeding.
2. If applicant proposes to show cause why the present reissue proceeding should not be terminated, **applicant's showing must include** either:
  - A) A copy of a favorable determination on the merits of the August 10, 2006 petition to accept late payment of the outstanding maintenance fee, or
  - B) An explanation of why the proceeding should not be terminated at that point in time, even though the original patent is expired.

Applicant must also show due diligence when providing a response to this SECOND SHOW CAUSE ORDER. If applicant makes a showing, the showing will be evaluated as to whether due diligence was exercised in providing the showing, and as to whether the showing provides sufficient basis why the present reissue proceeding should not be terminated.

3. **Failure to respond to this SECOND SHOW CAUSE ORDER within the SIX (6) MONTH period that has been set in this decision will result in the proceeding being terminated by default.** If the present reissue proceeding is terminated by default, jurisdiction over the application for reissue of the '001 patent would then be returned to Technology Center 2600 for processing the application as an abandoned application.
4. Jurisdiction over the file for reissue application 08/760,706 is being retained in the Office of Patent Legal Administration (OPLA), pending a response by applicants, or the expiration of time for a response.
5. Telephone inquiries related to this decision should be directed to Karen Hastings, Legal Advisor, at (571) 272-7717 or, in her absence to Kenneth M. Schor, Senior Legal Advisor, at (571) 272-7710.



Kenneth M. Schor  
Senior Legal Advisor  
Office of Patent Legal Administration

kmh  
April 12, 2007

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